

110TH CONGRESS  
1ST SESSION

# S. 932

To amend title XVIII of the Social Security Act to authorize physical therapists to evaluate and treat Medicare beneficiaries without a requirement for a physician referral, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 20, 2007

Mrs. LINCOLN (for herself, Mr. SPECTER, Mr. MENENDEZ, Mr. ENSIGN, Mr. HARKIN, Mr. BURR, and Mr. GRAHAM) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to authorize physical therapists to evaluate and treat Medicare beneficiaries without a requirement for a physician referral, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Medicare Patient Ac-  
5       cess to Physical Therapists Act of 2007”.

1 **SEC. 2. ACCESS TO OUTPATIENT PHYSICAL THERAPY SERV-**  
 2 **ICES FOR MEDICARE BENEFICIARIES AS AU-**  
 3 **THORIZED BY STATE LAW.**

4 (a) IN GENERAL.—

5 (1) ELIMINATION OF REQUIRED PHYSICIAN RE-  
 6 FERRAL.—

7 (A) DEFINITION OF OUTPATIENT PHYS-  
 8 ICAL THERAPY SERVICES.—Section 1861(p) of  
 9 the Social Security Act (42 U.S.C. 1395x(p)) is  
 10 amended—

11 (i) in the matter preceding paragraph  
 12 (1), by striking “as an outpatient”;

13 (ii) by amending paragraph (1) to  
 14 read as follows:

15 “(1) who is an outpatient, and”;

16 (iii) in paragraph (2)—

17 (I) by striking “physician (as so  
 18 defined) or by a qualified physical  
 19 therapist” and inserting “physician  
 20 (as defined in paragraph (1), (3), or  
 21 (4) of subsection (r)) or by a qualified  
 22 physical therapist (as defined in sec-  
 23 tion 1861(ccc))”; and

24 (II) by inserting “or a qualified  
 25 physical therapist (as so defined)”  
 26 after “physician (as so defined)”;

(iv) in paragraph (4)(A)(ii), by striking “one or more” and all that follows through “agency) and”; and

(v) by amending the fifth sentence to read as follows: “Nothing in this subsection shall be construed as authorizing the provision of services in a State that a qualified physical therapist is not authorized to provide in the State in accordance with State law (or the State regulatory mechanism provided by State law).”

(B) CONFORMING AMENDMENTS.—Section 1835(a)(2) of the Social Security Act (42 U.S.C. 1395n(a)(2)) is amended—

(i) in the matter preceding subparagraph (A), by inserting “, or in the case of outpatient physical therapy services (as described in subparagraph (C)) and physical therapy services furnished as comprehensive outpatient rehabilitation facility services (described in subparagraph (E)), a qualified physical therapist,” after “a physician”;

(ii) in subparagraph (C)—

1 (I) in the matter preceding clause  
 2 (i), by striking “or outpatient occupa-  
 3 tional therapy services”;

4 (II) in clause (i), by striking “or  
 5 occupational therapy services, respec-  
 6 tively,” and inserting “, and”;

7 (III) in clause (ii), by striking  
 8 “or qualified occupational therapist,  
 9 respectively,”; and

10 (IV) beginning in clause (ii), by  
 11 striking “by a physician, and (iii)”  
 12 and all that follows and inserting “by  
 13 a physician or a qualified physical  
 14 therapist;”;

15 (iii) in subparagraph (D)—

16 (I) in the matter preceding clause  
 17 (i), by striking “outpatient speech pa-  
 18 thology services” and inserting “out-  
 19 patient occupational therapy services  
 20 or outpatient speech-language pathol-  
 21 ogy services”;

22 (II) in clause (i), by striking  
 23 “needed speech pathology services”  
 24 and inserting “needed occupational

1 therapy services or speech-language  
2 pathology services, respectively”; and

3 (III) in clause (ii), by striking  
4 “speech pathologist” and inserting  
5 “occupational therapist or speech-lan-  
6 guage pathologist, respectively,”; and  
7 (iv) in subparagraph (E)—

8 (I) in clause (ii), by inserting  
9 “(or, in the case of comprehensive  
10 outpatient rehabilitation facility serv-  
11 ices consisting of physical therapy  
12 services, by a qualified physical thera-  
13 pist)” after “physician”; and

14 (II) in clause (iii), by inserting  
15 “in the case of comprehensive out-  
16 patient rehabilitation facility services  
17 not consisting of physical therapy  
18 services,” before “such services”.

19 (2) DEFINITION OF QUALIFIED PHYSICAL  
20 THERAPIST.—Section 1861 of the Social Security  
21 Act (42 U.S.C. 1395x) is amended by adding at the  
22 end the following new subsection:

23 “Qualified Physical Therapist

24 “(ccc) The term ‘qualified physical therapist’ means  
25 an individual who is licensed as a physical therapist by

1 the State in which such individual is practicing and who  
2 meets the applicable requirements under paragraph (1) or  
3 (2):

4 “(1) With respect to individuals graduating  
5 from a professional physical therapy education pro-  
6 gram on or after January 1, 2003, the individual—

7 “(A) has received a master’s or doctoral  
8 degree from a professional physical therapy  
9 education program that has been accredited by  
10 a national physical therapy education accredita-  
11 tion agency recognized by the Secretary of Edu-  
12 cation; or

13 “(B) has graduated from a professional  
14 physical therapy education program outside the  
15 United States with a curriculum that is sub-  
16 stantially equivalent (as determined by an ac-  
17 creditation agency described in subparagraph  
18 (A)) to the curricula of programs for profes-  
19 sional physical therapy education programs in  
20 the United States that are accredited by such  
21 an accreditation agency.

22 “(2) With respect to individuals licensed as  
23 physical therapists by a State before 2003, the indi-  
24 vidual was, or upon application to the Secretary  
25 could have been, qualified under regulations of the

1 Secretary in effect before such date to furnish phys-  
 2 ical therapy services under this title, as determined  
 3 by the Secretary.”.

4 (b) PRESERVING EXISTING LAW FOR OUTPATIENT  
 5 OCCUPATIONAL THERAPY SERVICES.—

6 (1) DEFINITION.—Section 1861(g) of the Social  
 7 Security Act (42 U.S.C. 1395x(g)) is amended to  
 8 read as follows:

9 “Outpatient Occupational Therapy Services

10 “(g) The term ‘outpatient occupational therapy serv-  
 11 ices’ means occupational therapy services furnished by a  
 12 provider of services, a clinic, a rehabilitation agency, or  
 13 a public health agency, or by others under an arrangement  
 14 with, and under the supervision of, such a provider, clinic,  
 15 rehabilitation agency, or public health agency to an indi-  
 16 vidual as an outpatient—

17 “(1) who is under the care of a physician (as  
 18 defined in paragraph (1), (3), or (4) of subsection  
 19 (r));

20 “(2) with respect to whom a plan prescribing  
 21 the type, amount, and duration of occupational ther-  
 22 apy services that are furnished to such individual  
 23 has been established by a physician (as so defined)  
 24 or by an occupational therapist and is periodically  
 25 reviewed by a physician (as so defined);

1 excluding, however—

2 “(3) any item or service if it would not be in-  
3 cluded under subsection (b) if furnished to an inpa-  
4 tient of a hospital; and

5 “(4) any such service—

6 “(A) if furnished by a clinic, rehabilitation  
7 agency, or by others under arrangements with  
8 such clinic or agency, unless such clinic or reha-  
9 bilitation agency—

10 “(i) provides an adequate program of  
11 occupational therapy services for out-  
12 patients and has the facilities and per-  
13 sonnel required for such program or re-  
14 quired for the supervision of such a pro-  
15 gram, in accordance with such require-  
16 ments as the Secretary may specify;

17 “(ii) has policies, established by a  
18 group of professional personnel, including  
19 one or more occupational therapists, to  
20 govern the services (referred to in clause  
21 (i)) it provides;

22 “(iii) maintains clinical records on all  
23 patients;

24 “(iv) if such clinic or agency is situ-  
25 ated in a State in which State or applica-



1                   ble local law provides for the licensing of  
2                   institutions of this nature—

3                               “(I) is licensed pursuant to such  
4                   law, or

5                               “(II) is approved by the agency  
6                   of such State or locality responsible  
7                   for licensing institutions of this na-  
8                   ture, as meeting the standards estab-  
9                   lished for such licensing; and

10                              “(v) meets such other conditions relat-  
11                   ing to the health and safety of individuals  
12                   who are furnished services by such clinic or  
13                   agency on an outpatient basis, as the Sec-  
14                   retary may find necessary, and provides  
15                   the Secretary on a continuing basis with a  
16                   surety bond that is not less than \$50,000;  
17                   or

18                              “(B) if furnished by a public health agen-  
19                   cy, unless such agency meets such other condi-  
20                   tions relating to the safety of individuals who  
21                   are furnished services by such agency on an  
22                   outpatient basis, as the Secretary may find nec-  
23                   essary.

24   The term ‘outpatient occupational therapy services’ also  
25   includes occupational therapy services furnished an indi-

1 vidual by an occupational therapist (in the office of the  
 2 occupational therapist or in such individual's home) who  
 3 meets licensing and other standards prescribed by the Sec-  
 4 retary in regulations, otherwise than under an arrange-  
 5 ment with and under the supervision of a provider of serv-  
 6 ices, clinic, rehabilitation agency, or public health agency,  
 7 if the furnishing of such services meets such conditions  
 8 relating to health and safety as the Secretary may find  
 9 necessary. In addition, such term includes occupational  
 10 therapy services that meet the requirements of the first  
 11 sentence of this subsection except that they are furnished  
 12 to an inpatient of a hospital or extended care facility.  
 13 Nothing in this subsection shall be construed as requiring,  
 14 with respect to outpatients who are not entitled to benefits  
 15 under this title, an occupational therapist to provide out-  
 16 patient occupational therapy services only to outpatients  
 17 who are under the care of a physician or pursuant to a  
 18 plan of care established by a physician. The Secretary may  
 19 waive the requirement of a surety bond under paragraph  
 20 (4)(A)(v) in the case of a clinic or agency that provides  
 21 a comparable surety bond under State law.''.

22 (2) CONFORMING AMENDMENTS.—

23 (A) SCOPE OF BENEFITS.—Section  
 24 1832(a)(2)(C) of the Social Security Act (42  
 25 U.S.C. 1395k(a)(2)(C)) is amended by striking

1 “such sentence applies through the operation of  
2 section 1861(g))” and inserting “the second  
3 sentence of section 1861(g) applies)”.

4 (B) PAYMENT OF BENEFITS.—Section  
5 1833(g)(3) of the Social Security Act (42  
6 U.S.C. 1395l(g)(3)) is amended by striking  
7 “section 1861(p)” and all that follows through  
8 “section 1861(g)” and inserting “section  
9 1861(g) (but not described in subsection  
10 (a)(8)(B))”.

11 (C) PROVIDER CLAIMS PROCEDURES.—The  
12 second sentence of section 1835(a) of the Social  
13 Security Act (42 U.S.C. 1395n(a)) is amend-  
14 ed—

15 (i) by striking “section 1861(p)(4)(A)  
16 (or meets the requirements of such section  
17 through the operation of section 1861(g))”  
18 and inserting “section 1861(p)(4)(A) or  
19 section 1861(g)(4)(A)”;

20 (ii) by striking “section 1861(p)(4)(B)  
21 (or meets the requirements of such section  
22 through the operation of section 1861(g))”  
23 and inserting “section 1861(p)(4)(B) or  
24 section 1861(g)(4)(B)”;

(iii) by striking “(as therein defined) or (through the operation of section 1861(g)) with respect to the furnishing of outpatient occupational therapy services” and inserting “(as defined in section 1861(p)) or outpatient occupational therapy services (as defined in section 1861(g)), respectively”.

(D) AGREEMENTS WITH PROVIDERS.—Section 1866(e)(1) of the Social Security Act (42 U.S.C. 1395cc(e)(1)) is amended—

(i) by striking “section 1861(p)(4)(A) (or meets the requirements of such section through the operation of section 1861(g))” and inserting “section 1861(p)(4)(A) or section 1861(g)(4)(A)”;

(ii) by striking “section 1861(p)(4)(B) (or meets the requirements of such section through the operation of section 1861(g))” and inserting “section 1861(p)(4)(B) or section 1861(g)(4)(B)”;

(iii) by striking “(as therein defined) or (through the operation of section 1861(g)) with respect to the furnishing of outpatient occupational therapy services”

1                   and inserting “(as defined in section  
 2                   1861(p)) or outpatient occupational ther-  
 3                   apy services (as defined in section  
 4                   1861(g)), respectively”.

5           (c) SEPARATE STATUTORY TREATMENT FOR OUT-  
 6 PATIENT PHYSICAL THERAPY SERVICES AND OUT-  
 7 PATIENT SPEECH-LANGUAGE PATHOLOGY SERVICES.—

8           (1) SCOPE OF BENEFITS.—Section  
 9           1832(a)(2)(C) of the Social Security Act (42 U.S.C.  
 10           1395k(a)(2)(C)), as amended by subsection  
 11           (b)(2)(A), is amended—

12                   (A) by striking “and outpatient” and in-  
 13                   serting “, outpatient”; and

14                   (B) by inserting before the semicolon the  
 15                   following: “, and outpatient speech-language pa-  
 16                   thology services”.

17           (2) PAYMENT OF BENEFITS.—Section 1833 of  
 18           the Social Security Act (42 U.S.C. 1395l) is amend-  
 19           ed—

20                   (A) in subparagraphs (A) and (B) of sub-  
 21                   section (a)(8), by striking “services, (which in-  
 22                   cludes outpatient speech-language pathology  
 23                   services) and outpatient occupational therapy  
 24                   services” each place it appears and inserting  
 25                   “services, outpatient occupational therapy serv-

1           ices, and outpatient speech-language pathology  
2           services”; and

3                   (B) in subsection (g), by adding at the end  
4           the following new paragraph:

5           “(6) Subject to paragraph (5), in the case of  
6           speech-language pathology services (of the type de-  
7           scribed in section 1861(ll)(4) (but not described in  
8           subsection (a)(8)(B)) and speech-language pathology  
9           services of such type that are furnished by a physi-  
10          cian or as incident to physicians’ services), with re-  
11          spect to expenses incurred in any calendar year, no  
12          more than the amount specified in paragraph (2) for  
13          the year shall be considered as incurred expenses for  
14          purposes of subsections (a) and (b).”.

15           (3) PROVIDER CLAIMS PROCEDURES.—The sec-  
16          ond sentence of section 1835(a) of the Social Secu-  
17          rity Act (42 U.S.C. 1395n(a)), as amended by sub-  
18          section (b)(2)(C), is amended—

19                   (A) by striking “or section 1861(g)(4)(A)”  
20           and inserting “, section 1861(g)(4)(A), or sec-  
21           tion 1861(ll)(5)(A)”;

22                   (B) by striking “or section 1861(g)(4)(B)”  
23           and inserting “, section 1861(g)(4)(B), or sec-  
24           tion 1861(ll)(4)(B)(ii)(II)”;

1 (C) by striking “or outpatient occupational  
 2 services (as defined in section 1861(g))” and  
 3 inserting “, outpatient occupational services (as  
 4 defined in section 1861(g)), or outpatient  
 5 speech-language pathology services (as defined  
 6 in section 1861(ll)(4)(A))”.

7 (4) AGREEMENTS WITH PROVIDERS.—Section  
 8 1866(e)(1) of the Social Security Act (42 U.S.C.  
 9 1395cc(e)(1)), as amended by subsection (b)(2)(D),  
 10 is amended—

11 (A) by striking “or section 1861(g)(4)(A)”  
 12 and inserting “1861(g)(4)(A), or section  
 13 1861(ll)(5)(A)”;

14 (B) by striking “or section 1861(g)(4)(B)”  
 15 and inserting “, section 1861(g)(4)(B), or sec-  
 16 tion 1861(ll)(4)(B)(ii)(II)”;

17 (C) by striking “or outpatient occupational  
 18 services (as defined in section 1861(g))” and  
 19 inserting “, outpatient occupational services (as  
 20 defined in section 1861(g)), or outpatient  
 21 speech-language pathology services (as defined  
 22 in section 1861(ll)(4)(A))”.

23 (5) DEFINITIONS.—Section 1861 of the Social  
 24 Security Act (42 U.S.C. 1395x) is amended—

1 (A) in subsection (p), by striking the  
2 fourth sentence;

3 (B) in subsection (s)(2)(D), by striking  
4 “services and outpatient occupational therapy  
5 services” and inserting “services, outpatient oc-  
6 cupational therapy services, and outpatient  
7 speech-language pathology services”; and

8 (C) in subsection (ll), by adding at the end  
9 the following new paragraphs:

10 “(4)(A) Subject to subparagraph (B), the term ‘out-  
11 patient speech-language pathology services’ means speech-  
12 language pathology services that are furnished by a pro-  
13 vider of services, a clinic, a rehabilitation agency, or a pub-  
14 lic health agency, or by others under an arrangement with,  
15 and under the supervision of, such provider, clinic, reha-  
16 bilitation agency, or public health agency to an individual  
17 as an outpatient—

18 “(i) who is under the care of a physician (as de-  
19 fined in paragraph (1), (3), or (4) of subsection (r));  
20 and

21 “(ii) with respect to whom a plan prescribing  
22 the type, amount, and duration of speech-language  
23 pathology services that are furnished to such indi-  
24 vidual has been established by a physician (as so de-  
25 fined) or by a qualified speech-language pathologist



1 and is periodically reviewed by a physician (as so de-  
2 fined).

3 “(B) Such term does not include—

4 “(i) any item or service if it would not be in-  
5 cluded under subsection (b) if furnished to an inpa-  
6 tient of a hospital; or

7 “(ii) any item or service—

8 “(I) if furnished by a clinic, rehabilitation  
9 agency, or by others under arrangements with  
10 such clinic or agency, unless such clinic or reha-  
11 bilitation agency meets the requirements of  
12 paragraph (5); and

13 “(II) if furnished by a public health agen-  
14 cy, unless such agency meets such other condi-  
15 tions relating to the safety of individuals who  
16 are furnished services by such agency on an  
17 outpatient basis, as the Secretary may find nec-  
18 essary.

19 “(C) Such term also includes speech-language pathol-  
20 ogy services that meet the requirements of the preceding  
21 sentence except that they are furnished to an inpatient  
22 of a hospital or extended care facility. Nothing in this sub-  
23 section shall be construed as requiring, with respect to  
24 outpatients who are not entitled to benefits under this  
25 title, a speech-language pathologist to provide outpatient

1 speech-language pathology services only to outpatients  
2 who are under the care of a physician or pursuant to a  
3 plan of care established by a physician. The Secretary may  
4 waive the requirement of a surety bond under paragraph  
5 (5)(E) in the case of a clinic or agency that provides a  
6 comparable surety bond under State law.

7 “(5) A clinic or rehabilitation agency meets the re-  
8 quirements of this paragraph if it—

9 “(A) provides an adequate program of speech-  
10 language pathology services for outpatients and has  
11 the facilities and personnel required for such pro-  
12 gram or required for the supervision of such a pro-  
13 gram, in accordance with such requirements as the  
14 Secretary may specify;

15 “(B) has policies, established by a group of pro-  
16 fessional personnel, including one or more speech-  
17 language pathologists, to govern the services (re-  
18 ferred to in subparagraph (A)) it provides;

19 “(C) maintains clinical records on all patients;

20 “(D) in the case of a clinic or agency that is  
21 situated in a State in which State or applicable local  
22 law provides for the licensing of institutions of this  
23 nature—

24 “(i) is licensed pursuant to such law, or

1           “(ii) is approved by the agency of such  
2           State or locality responsible for licensing insti-  
3           tutions of this nature, as meeting the standards  
4           established for such licensing; and

5           “(E) meets such other conditions relating to the  
6           health and safety of individuals who are furnished  
7           services by such clinic or agency on an outpatient  
8           basis, as the Secretary may find necessary, and pro-  
9           vides the Secretary on a continuing basis with a sur-  
10          ety bond that is not less than \$50,000.”.

11          (d) EFFECTIVE DATE.—The amendments made by  
12          this section shall apply to items and services furnished on  
13          or after January 1, 2008.

○